



California Air Resources Board



Overview

- Today's Proposed Action
- Forestry Sector Background
- AB 32 Context
- CCAR Forest Protocols
- Next Steps and Recommendations



Today's Proposed Action

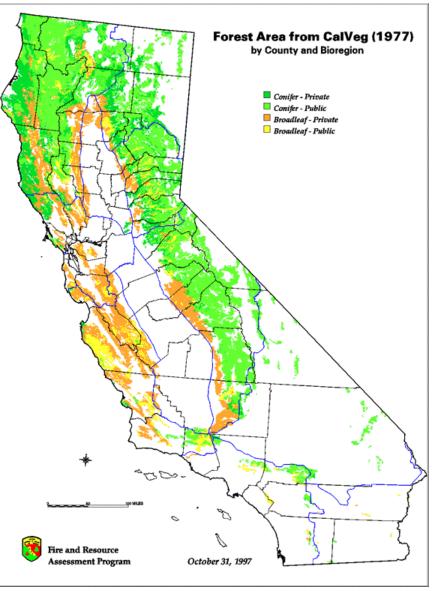
- Staff proposes adoption of California Climate Action Registry (CCAR) forestry protocols (non-regulatory)
- Endorse an ongoing process to develop further forestry GHG quantification approaches



Forestry Sector Background



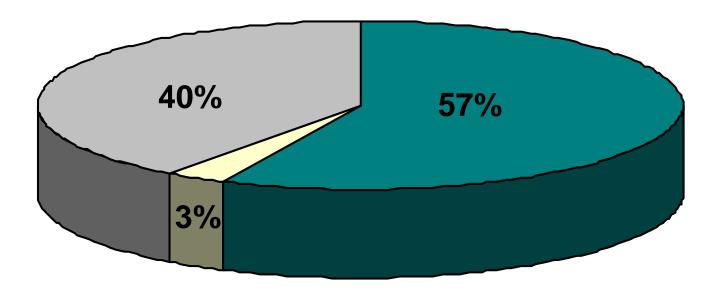
California Forests



- 34 million acres of forest lands
- Large potential for sequestration
- Diversity of forest types
- Among nation's most productive
- Diversity of ownership and management



Forest Land Holdings



■ Federal □ State/Local □ Private



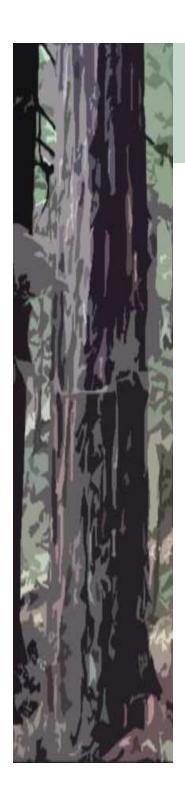
Forests Can Remove Carbon From the Air

- Forests remove CO₂ from the air by sequestering carbon
- Forested land sequestering approximately 14 MMTCO₂eq from the air annually
- Total carbon stored in California forests estimated to be 1.7 billion tons



Forests Can Release Carbon Into the Air

- Loss of forests decreases carbon stock and considered a CO₂ emission
 - Harvesting
 - Wildfire
 - Land-use conversion
- Emission related to harvesting
 - Soil disturbance
 - Burning debris
 - Decay process
 - Fuel combustion



Forest Sector Challenges

- Environmental issues are complex
 - Air
 - Water
 - Habitat preservation
 - Wildfire
- Diverse stakeholder interests



AB 32 Context



AB 32 Requirements

- Adopt methodologies for the quantification of voluntary GHG emission reductions (non-regulatory)
- Adopt regulations to verify and enforce voluntary GHG reductions



AB 32 Requirements for Reductions

- Real
- Quantifiable
- Permanent
- Verifiable
- Enforceable
- Not otherwise required and would not otherwise occur (additionality)



International Voluntary Carbon Standard (2007)

- Sets international criteria
- Participating organizations
 - International Emissions Trading Association
 - World Business Council for Sustainable Development
 - World Economic Forum
 - The Climate Group
- Accounting criteria consistent with AB32
- AB 32 more explicit on enforceability



CCAR Forest Protocols



Overview of CCAR Forest Protocols

- Provide rigorous carbon accounting methods for voluntary projects
- Developed with extensive technical and stakeholder input
- Reflects international criteria
- Meets requirements of SB 812
- Supported by Board of Forestry in 2004 and adopted by CCAR Board in 2005



SB 812 Requirements

- CCAR responsible for developing protocol
- Conservation management criteria
- Permanent conservation easement
- Reductions must exceed all federal, state, and local requirements

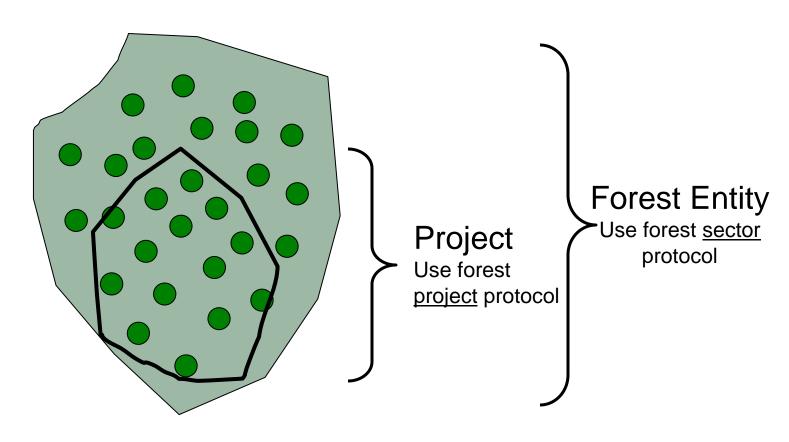


CCAR Forest Protocols: Description

- 1. Sector (Entity) for entity-wide emissions
- 2. Project for forest project reductions
- 3. <u>Certification</u> guidance for certifiers



Entity Vs. Project





Sector (Entity) Protocol

- Entity reporting by individual, corporation, or agency
- May establish baseline
- Report annual changes in carbon stock
- Increases in stock registered through project protocol



CCAR Forest Project Protocol

- Project protocol used for carbon reduction accounting
- Covers three forest project types
- Baseline requirements different for each project type
- Provides approaches for estimating carbon stock
- Protocol elements designed to keep carbon reductions <u>additional</u> and <u>permanent</u>



Protocol Project Types

Three project types:

- Reforestation
- Conservation-based Management
- Conservation



Baseline Criteria for Project Types

- Reforestation: ten years without tree cover
- Conservation: data on planned development or specific land conversion trends
- Conservation-based management: land will be managed pursuant to specific criteria in California Forest Practice Rules



Quantifying Carbon Stocks

- Accounting of carbon stored in live trees and dead biomass
- Protocols use California equations from nation-wide USFS study
- Site-specific data allowed
- Annual reporting
- Optional elements (shrubs, soil, litter/duff, wood products)



Additionality

- Practices that exceed "business-as-usual"
- Exceed mandatory requirements
- Required by AB32
- Internationally recognized criterion



Permanence

- CCAR project protocol requires permanent conservation easement
- Attaches liability to land, not owner
- Other approaches will be considered moving forward



Certification Protocol

- Independent review of completeness, consistency, and accuracy
- Must include a Registered Professional Forester
- Review annual monitoring reports

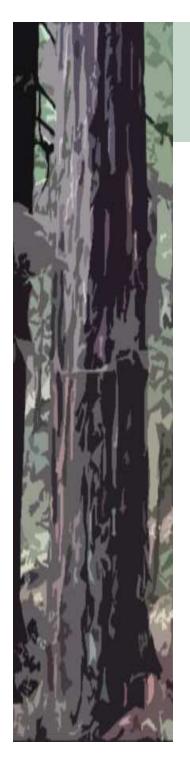


CCAR Protocols In Practice

- Two projects in certification process
 - Garcia River Forest
 - Van Eck Forest
- Management plans include continued harvest
- Value of additional stored carbon provides incentive



Next Steps and Recommendations



Process for Additional Methodologies

- ARB/Resources Agency Forest Sector Workgroup
- Continue to work in conjunction with CCAR on additional forest quantification methodologies
- Encourage broad participation from forest sector in GHG reduction projects



CCAR Activities

- CCAR has established process for developing protocols
- Expand scope of forest protocols outside of California
- Continue to develop additional approaches for the forest sector



Areas of Future Work

- Develop additional approaches for:
 - Forest management
 - Public lands
 - Urban forests
 - Biomass utilization/Wildfire avoidance



Staff Recommendations

- Adopt the California Climate Action Registry Forestry Protocols for voluntary GHG accounting
- Endorse an ongoing process to support development of further GHG reduction approaches